

(2016) 02 DEL CK 0099

In the Delhi High Court

Case No : W.P.(C) 448/2016, CM Appls. 3109-3112/2016, W.P.(C) 452/2016 and CM Appls. 3147-3148/2016

Action Committee Unaided Recognized Private Schools and Others

APPELLANT

Vs

Directorate of Education and Others

RESPONDENT

Date of Decision : 04-02-2016

Acts Referred:

Constitution of India, 1950 — Article 142, Article 19(1), Article 19(1)(g), Article 19(6), Article 226, Article 230, Article 239, Article 239AA, Article 239AA(3)(c), Article 30
Delhi School Education Act, 1973 — Section 16(3), Section 2(a), Se

Citation : (2016) 02 DEL CK 0099

Hon'ble Judges : Manmohan, J.

Bench : Single Bench

Advocate : Dushyant Dave, Senior Advocate and Kamal Gupta, Advocate, for the Appellant; Gurukrishna Kumar, Senior Advocate, Rahul Mehra, Sr. Standing Counsel, Gautam Narayan, Anuj Aggarwal, ASCs, Tishampati Sen, Sanyog Bhadur and Shekhar Budakoti, Advocates, for the

Final Decision : Disposed Off

Judgement

Manmohan, J.—CM Appl.1778/2016 in W.P.(C) 448/2016 CM Appl. 1831/2016 in W.P.(C) 452/2016

PRIMARY CHALLENGE

1. Present writ petitions have been filed challenging the order dated 06th January, 2016 issued by the Government of NCT of Delhi (for short "GNCTD") whereby the respondents have directed the private unaided schools of Delhi to open the entire 75 per cent seats, i.e., "in 75% of the open seats, there would not be any quota."

ARGUMENTS ON BEHALF OF THE PETITIONERS

2. Mr. Sunil Gupta and Mr. Dushyant Dave, learned senior counsel for the

petitioners submitted that the impugned order adversely affects the fundamental right of freedom and autonomy of the petitioners-Committee/Forum of private unaided schools upheld by the Supreme Court in *T.M.A. Pai Foundation and Others v. State of Karnataka and Others*, , (2002) 8 SCC 481 as also by this Court in *Forum for Promotion of Quality Education for All v. Lt. Governor of Delhi & Others*, , 216 (2015) DLT 80 in two ways inasmuch as it interferes with eleven most healthy, noble and socially and nationally relevant, fair and reasonable criteria and it deprives the petitioners of the long-standing management quota of twenty percent seats. The eleven criteria defended by the petitioners were item Nos. 1, 3, 5, 10, 16, 31, 32, 45, 47, 48 and 61 of the impugned order.

3. Learned senior counsel for petitioners stated that the previous 2007 Order was issued expressly under Section 3 of the Delhi School Education Act, 1973 [for short "Act, 1973"] read with Rule 43 of the Delhi School Education Rules, 1973 [for short "Rules, 1973"] and it enabled the petitioners to adopt criteria in line with their own philosophy and also provided a management quota of twenty per cent and since the impugned order has not been issued under any specific provision, it does not supersede or amend the 2007 Order and, in fact, it conflicts with the 2007 Order inasmuch as it interferes with various such criteria adopted by the private unaided schools and deprives them of the management quota. They stated that the impugned order also runs contrary to the affidavits filed by the GCNTD in the earlier litigation in defence of the 2007 Order. According to them, in so doing, it betrays non-application of mind and repeats the 2013 folly which had been quashed by this Court in *Forum for Promotion of Quality Education For All* (supra).

4. Learned senior counsel for petitioners submitted that the impugned order is without jurisdiction inasmuch as it cannot be used to contradict or overrule a specific provision like Section 16(3) of the Act, 1973 or Rule 145 of the Rules, 1973 where under the Head of School alone regulates admission in private unaided schools.

5. Learned senior counsel for petitioners further submitted that as regards the ground that schools do not adopt standard procedure, this Court has held that the Government cannot impose a strait-jacket formula of admission upon the schools under the guise of reasonable restriction.

6. As regards the ground that there are "widespread allegations" of misuse of quota/capitation fee, learned senior counsel for petitioners pointed out that this Court has held that the restriction is not reasonable under Article 19(6) of the Constitution because in the present instance, there is no material to show that private unaided schools were indulging in any malpractice or were misusing their right to admit students in pursuance to the 2007 notification. They stated that greater autonomy leads to more schools and is in public interest.

ARGUMENTS ON BEHALF OF THE RESPONDENTS

7. On the other hand, Mr. Gurukrishna Kumar, learned senior counsel for the

respondents submitted that the present writ petition is not maintainable as the petitioner-Committee is an association and it cannot espouse any fundamental right. According to him, only the individual schools can approach the Court.

8. Mr. Gurukrishna Kumar submitted that the impugned order is legal and valid. According to him, the answering respondent was duly empowered under Section 2(e)(ii) of Act, 1973 and Rule 43 of Rules, 1973 to issue the same. He submitted that the Act, 1973 must be interpreted and understood in the light of the subsequent developments, namely, the enactment of the Constitutional 69th Amendment Act, the GNCT Act, 1991 and the framing of the Transaction and Allocation of Business Rules.

9. Mr. Gurukrishna Kumar stated that in a Cabinet system of Government, the Governor/Lieutenant Governor is the Constitutional head and the administration of the State is performed by the Council of Ministers. According to him, since it is not possible for the Council to deal with each and every issue, the Head of the Government is authorised to make rules for the convenient transaction of business and for the allocation amongst the Ministers and also to allocate functions to particular officials. In the case of GNCTD, this has been done by framing the Transaction of Business Rules and the Allocation of Business Rules. In accordance therewith, the task of administration has been distributed amongst various Departments mentioned in the Schedule to the Allocation of Business Rules and the civil servants, who are experts, take decisions on behalf of the Government. In support of his submission, he relied upon the judgment of the Supreme Court in *A. Sanjeevi Naidu, Etc. v. State of Madras and Another*, (1970) 1 SCC 443.

10. Without prejudice to the above, Mr. Gurukrishna Kumar submitted that the fact that the said orders had not been issued in name of the Lieutenant Governor was not fatal and did not invalidate the same. He relied upon the judgment of the Supreme Court in *R. Chitralekha & Anr. v. State of Mysore and others*, (1964) 6 SCR 368.

11. Mr. Gurukrishna Kumar further submitted that the objective behind issuing the impugned order was not to deprive private unaided educational schools of autonomy. He stated that the objective was only to ensure that admissions to entry level classes were made in a fair, reasonable, rational, transparent and non-exploitive manner. He submitted that the answering respondent was statutorily bound to ensure that schools are managed and run in the best interests of education of children and for the better organization and development of school education [Sections 3(1), 4(6), 16(3), 28(2)(a), (b), (q) of Act, 1973 and Rules 50(iv), (v), (vi), 145 and 181 of Rules, 1973]. He pointed out that amongst the 2,500 criteria uploaded by the schools, only 62 had been identified and directed to be eschewed by the answering respondent.

12. Mr. Gurukrishna Kumar submitted that the practice of granting admissions under the garb of "management quotas" which are wholly non-transparent and

opaque cannot be countenanced. According to him, the attempt of respondent was to ensure that schools do not become "teaching shops".

13. Mr. Gurukrishna Kumar urged that the interference by Court in academic and educational matters should be minimal. He submitted that courts interfere only in the rarest of cases and only when the said order/decision is in derogation of the relevant statute or is patently arbitrary or illegal.

14. Mr. Gurukrishna Kumar lastly submitted that the judgment in Forum for Promotion of Quality Education For All (supra) recognizes the right of the respondent to regulate but did not deal with the management quota. According to him, the impugned order was issued in pursuance and in accordance with the judgment of this Court in Forum for Promotion of Quality Education For All (supra).

SAY OF THE DEPUTY CHIEF MINISTER

15. The Deputy Chief Minister, who appeared in person, submitted that the private unaided schools were like contractors who had been given a contract to construct some portion of a road. He stated that just like a contractor, the private unaided schools could not construct a road on their own terms and conditions. He also stated that private unaided schools in the Capital were running an admission racket. He stated that he had received a number of complaints last year with regard to demand for donation in lieu of seats allocated under the management quota. He also wanted to hand over certain documents in a sealed cover to this Court.

16. This Court asked the Deputy Chief Minister to take action on the complaints received by him in accordance with law. This Court clarified that by its previous judgment, only autonomy had been given to private unaided schools and not a licence to misuse the same or sell the seats. It was pointed out that as all Courts in India hold hearings in the open, the documents would be accepted in a sealed cover only if privilege was claimed in accordance with law.

ARGUMENTS ON BEHALF OF THE INTERVENORS

17. Mr. Khagesh B. Jha, learned counsel for intervener/applicant stated that most of the private schools are situated on the DDA land and under contractual obligation to admit students from the neighbourhood. He stated that the allotment letter mentions that at least 75% children shall be from the locality where school is situated. He stated that in the present petitions, petitioners not only seek stay of the policy decision but also the direction issued by the Supreme Court under Article 142 of the Constitution in *Modern School v. Union of India & Ors.*, (2004) 5 SCC 583.

18. Mr. Jha referred to the letter addressed by the President of the petitioners which mentions that the seats are given to the politicians, bureaucrats and social worker which itself reflects corruption.

19. An intervention application was also filed by Mahavir Senior Model School stating that being a minority institution, the impugned order would not apply to it. Learned counsel for the said school relied upon Article 30 of the Constitution. However, learned senior counsel for the respondents stated that as the averments with regard to minority institutions did not find mention in the writ petitions, they were taken by surprise. However, learned senior counsel for the respondents clarified that the impugned order dated 06th January, 2016 while requiring that the status of the parents will not be a justifiable criteria, would not bar a Minority Educational Institution from taking note of the religion/religious affiliation of the concerned ward/child. It was further clarified by learned counsel for respondents that the impugned order dated 06th January, 2016 will otherwise apply to Minority Educational Institutions.

20. This Court finds merit in the contention of learned senior counsel for the respondents that the averments with regard to minority institutions do not find mention in the writ petitions. Consequently, the argument with regard to applicability of the impugned order to minority institutions is left open.

REJOINDER ARGUMENTS ON BEHALF OF THE PETITIONERS

21. In rejoinder, learned senior counsel for the petitioners stated that the reliance of the respondents on the judgment and order of this Court in Forum for Promotion of Quality Education For All (supra) was a case of "devil reading the scriptures".

22. Learned senior counsel for the petitioners stated that the analogy of private-public participation in construction of roads in the context of private unaided schools in education was wholly inappropriate and spoke of a legally untrained and purely political mindset. They stated that in the former case, Government gives contractual rights to a concessionaire or contract to build a road and he has no fundamental right. In the latter case, every institution has an inborn human right and a constitutionally recognised and guaranteed fundamental right to establish and run a school by his own means which is not granted by any Government or politician.

23. Learned senior counsel for the petitioners stated that none of the schools forming part of the petitioner-association have been following any criteria of admission which may remotely be attracted or categorized as unfair, inequitable and unreasonable. They stated that schools are following fair, reasonable and just criteria for admission in terms of what was prescribed by the Ganguli Committee and permitted by the order dated 24th November, 2007 issued by the then Lieutenant Governor of Delhi.

24. Learned senior counsel for the petitioners contended that the respondents are deliberately misleading the public on the basis of a few unsubstantiated and unverified complaints by stating that discretionary management quota is the biggest education scandal. They stated that the excuse that action is not taken by the authorities because the child will be victimised by the School is a bogey

inasmuch as the State has the power and authority to save the child from victimisation by the school. In any event, according to them, all unaided schools cannot be punished by way of deprivation of their individual fundamental right due to some alleged defaulters.

COURT'S REASONING

25. Having heard learned counsel for the parties, this Court is of the view that the issues raised by the petitioners as well as the respondents require a detailed hearing. The original files would have to be perused. The impleadment applications would also have to be decided after notice. Consequently, the writ petitions cannot be disposed of at the preliminary stage. In fact, this Court on 02nd February, 2016, while reserving the orders, clarified that it would dispose of only the interim applications at this stage.

PRELIMINARY OBJECTION OF THE RESPONDENTS IS UNTENABLE

26. This Court is prima facie not impressed with the respondents submission that the present writ petitions by a Committee and/or a Forum are not maintainable. In fact, there have been numerous cases in which the petitions filed by the Committee/Forum/Association have been entertained and decisions have been rendered by this Court as well as the Apex Court. In any event, the power under Article 226 of the Constitution of India is very wide and there is no limitation expressed or otherwise on the exercise thereof. Consequently, this Court is prima facie of the opinion that no technicalities can come in the way of granting relief under Article 226 of the Constitution.

IMPUGNED ORDER

27. Before proceeding with the matter any further, this Court would like to reproduce the impugned order 06th January, 2016 in its entirety:--

"Government of National Capital Territory of Delhi Directorate of Education (Act-I) Branch Old Secretariat, Delhi-54

No. F.DE.15/Act-I/4607/I3/2015/5686-5696

Dated: 06-01-2016

ORDER

Directorate of Education vide its circular dated 8/12/2015 directed all the Private Unaided Recognized Schools to develop and adopt criteria for admissions for the 75% Open Seats to Entry Level Classes for session 2016-17 which shall be clear, well defined, equitable, non-discriminatory, unambiguous and transparent. All these criteria and their points were to be uploaded on the departmental website.

The adopted criteria uploaded by the schools was scrutinized and found that some of the schools have adopted criteria like Status of child, Non smoker parent, Special ground if candidate is having proficiency in music and sports/ Social, Noble cause/Non-smoker parent/Oral Test/Date of Birth Certificate of

Child from MCD/Affidavit/Vegetarianism/Joint Family/Non-alcoholic/Age/Certificate of last school attended/Language/economic condition/Business/Service/Attitude and Values/ID Proofs and Address of the documents of the parents/Special Quality/declaration regarding picking or drop of the students at school facility etc. which are contrary to the principles mentioned above.

Further, it has been observed that some private unaided recognized schools are reserving seats under Management Quota as well as in different categories like under Sibling, Alumni, Girl Child etc.

The issues of adopting unfair criteria by the Private Unaided Recognized Schools was raised in WPC 8533/2010 and other connected matters and Hon'ble High Court vide its judgment dated 19/02/2013 directed that Hon'ble Lt. Governor Delhi may amend the existing admission order 2007 exercising the power conferred upon him under section 3 read with rule 43 of DSEAR, 1973 to check any possible malpractices in 75% admission to the entry level classes.

Hon'ble High Court in its judgment dated 19/02/2013 held that Private Unaided Schools cannot be allowed to run as Teaching Shop. The operative part of the judgment is as under:--

"It is common knowledge that though there is obligation on the State to provide free and compulsory education to children and the corresponding responsibility of the institution to afford the same, educational institution cannot be allowed to run as "Teaching Shops" as the same would be detrimental to equal opportunity to children. This "reality must not be ignored by the State while considering the observations made in this judgment. Hence, we only observe that to avail the benefit of the Right to Education Act to a child seeking for nursery school as well, necessary amendment should be considered by the State. We hope and trust that the Government may take the above observations in the right spirit and act accordingly".

Pursuant to the directions of the Hon'ble High Court, this Directorate issued Orders dated 18/12/2013 & 27/12/2013 prescribing uniform criteria and their point for admission to the Entry Level Classes for Open Seats in Private Unaided Recognized Schools.

The said orders when challenged were set aside by the Hon'ble High Court vide order dated 28/11/2014 in WPC 177/2014 & 202/2014 with the observation that Private Unaided Schools have a fundamental right to devise the procedure to admit students but subject to the condition that the procedure is fair, reasonable and transparent.

Contrary to the directions of the Hon'ble High Court's Order dated 28/11/2014 in WPC 177/2014 & 202/2014, many Private Unaided Recognized Schools have come out with admission criteria which are unfair, unreasonable and non-transparent.

In view of the above, all the Private Unaided Schools concerned are directed to

remove the admission criteria as mentioned below and replace them with the criteria which shall be fair, reasonable and transparent.

The list mentioned above is indicative and not exhaustive. The Private Unaided Recognized Schools are directed to remove all the criteria which are unfair, unreasonable and non-transparent.

Further, it is also observed that some of the schools have reserved a large number of seats under various quotas. Only 25% of the seats are reserved in Private Unaided Recognized Schools for EWS/DG admissions and rest of the 75% seats should be open seats where points based fair, reasonable and transparent criteria can be adopted for the admissions. In 75% of the open seats, there should not be any quota. However, if required, the children of the staff and the children of the members of the Management Committee can be given admission by making it a criterion and assigning points.

It is, accordingly, ordered that all Private Unaided Recognized Schools shall revise the admission criteria on the above lines in view of the directions of the Hon"ble High Court in its judgement dated 28/11/2014.

This order is issued with the approval of the Cabinet."

(emphasis supplied)

PRIMA FACIE, THE IMPUGNED ORDER HAS BEEN ISSUED WITHOUT ANY AUTHORITY AND IS IN DIRECT CONFLICT WITH THE ORDER OF 2007 ISSUED BY THE LIEUTENANT GOVERNOR

28. From the aforesaid impugned order, it is apparent that it does not indicate the Act and/or provision and Act under which it has been issued.

29. It is pertinent to mention that the order dated 24th November, 2007 under Section 3(1) of the Act, 1973 and Rule 43 of the Rules, 1973, permitted management quota upto twenty per cent. Clause 14(vi) of the Order dated 24th November, 2007 is reproduced hereinbelow:--

"14. The school shall develop and adopt criteria for admission which shall be clear, well defined, equitable, non-discriminatory and unambiguous. The school shall adopt those parameters which are in the best interests of children and are in line with its own philosophy, and these shall include the following:--

xxxx xxxx xxxx xxxx

(vi) Management Quota - School may have a management quota which shall not exceed twenty percent of the total seats available for admission in the class."

30. Consequently, this Court is prima facie of the view that the impugned order cannot supersede, amend or modify the order dated 24th November, 2007 which was specifically made under Section 3(1) of the Act, 1973 read with Rule 43 of the Rules, 1973 and has been occupying the field. Sections 2(a) and 3(1) of the Act, 1973 as well as Rule 43 of the Rules, 1973 are reproduced hereinbelow:--

(A) Section 2(a) of Act, 1973

(a) "Administrator" means the Administrator of the Union Territory of Delhi appointed by the President under article 230 of the Constitution;

(B) Section 3 of Act, 1973

"3. Power of Administrator to Regulate Education in Schools-(1) The Administrator may regulate education in all the schools in Delhi in accordance with the provisions of this Act and the rules made thereunder..... "

(C) Rule 43 of Rules, 1973

"43. Power to issue Instructions-The Administrator may, if he is of opinion that in the interest of school education in Delhi it is necessary so to do, issue such instructions in relation to any matter, not covered by these rules, as he may deem fit."

31. This Court is also prima facie of the view that the 69th Amendment Act, the GNCT Act, 1991 and the Transaction and Allocation of Business Rules and the judgments of the Supreme Court in A. Sanjeevi Naidu (supra) and R. Chitralkha (supra), offer no assistance to the respondents. The present case does not pertain to any general executive action, but pertains to a specific Statute wherein the power has been given to the Administrator/Lieutenant Governor to issue Regulation in a particular manner. It is well settled that if a Statute requires a thing to be done in a particular manner, it should be done in that manner or not at all. (See Shiv Kumar Chadha v. Municipal Corporation of Delhi and Others, , (1993) 3 SCC 161, Taylor v. Taylor (1875) 1 Ch D 426 and Nazir Ahmad v. King-Emperor, , AIR 1936 PC 253 (2).

32. In fact, the Division Bench of this Court with regard to Act, 1973 and Rules, 1973, in Social Jurist, A Civil Rights Group v. Govt. of NCT of Delhi & Anr., , 198(2013) DLT 384 has held as under:--

"35..... The Lieutenant Governor of Delhi in exercise of the powers conferred upon him by Section 3(1) of Delhi School Education Act and Rule 43 of Delhi School Education Rules, 1973 is competent to give such further directions or to make such modifications to the existing order as the Government may deem appropriate, to prevent any possible misuse or malpractice in making admission to pre-primary and pre-school classes by these private unaided schools..... "

(emphasis supplied)

33. Consequently, this Court is prima facie of the view that the impugned order has been issued without any authority. This Court is also of the prima facie view that being in direct conflict with the Order of 2007, it is the impugned order which will have to give way.

34. Even if the respondents' submission is accepted, then also this Court is of

the prima facie view that Article 239AA(3)(c) of the Constitution of India would be attracted to the present case. The relevant portion of Article 239AA of the Constitution of India reads as under:--

"239AA. Special provisions with respect to Delhi.--(1) As from the date of commencement of the Constitution (Sixty-ninth Amendment) Act, 1991, the Union territory of Delhi shall be called the National Capital Territory of Delhi (hereafter in this Part referred to as the National Capital Territory) and the administrator thereof appointed under Article 239 shall be designated as the Lieutenant Governor.

XXXX XXXX XXXX XXXX

(3) (a) Subject to the provisions of the Constitution, the Legislative Assembly shall have power to make laws for the whole or any part of the National Capital Territory with respect to any of the matters enumerated in the State of List or in the Concurrent List in so far as any such matter is applicable to Union territories except matters with respect to Entries 1,2, and 18 of the State List and Entries 64, 65 and 66 of that List in so far as they relate to the said Entries 1,2 and 18.

XXXX XXXX XXXX XXXX

(c) If any provision of a law made by the Legislative Assembly with respect to any matter is repugnant to any provision of a law made by Parliament with respect to that matter, whether passed before or after the law made by the Legislative Assembly, or of an earlier law, other than a law made by the Legislative Assembly, then, in either case, the law made by Parliament, or, as the case may be, such earlier law, shall prevail and the law made by the Legislative Assembly shall, to the extent of the repugnancy, be void:..... "

(emphasis supplied)

BOTH PARTIES SWEAR BY THE SAME JUDGMENT, VIZ., FORUM FOR PROMOTION OF QUALITY EDUCATION FOR ALL (SUPRA) IN WHICH IT HAS BEEN HELD THAT PRIVATE UNAIDED SCHOOL MANagements HAVE A FUNDAMENTAL RIGHT UNDER ARTICLES 19(1)(g) TO ESTABLISH, RUN AND ADMINISTER THEIR SCHOOLS, INCLUDING THE RIGHT TO ADMIT STUDENTS

35. From the impugned order, it is apparent that this is one of the few cases where both the petitioners and the respondents "swear by the same judgment". While the respondents state that the impugned order has been issued in accordance with the observations made by this Court in Forum for Promotion of Quality Education For All (supra), the petitioners challenge it primarily on the basis of the said judgment.

36. It is pertinent to mention that this Court in Forum for Promotion of Quality Education for All (supra) after relying upon the observations in T.M.A. Pai Foundation (supra) has held that the private unaided school managements have a fundamental right under Articles 19(1)(g) to establish, run and administer their

schools, including the right to admit students. The relevant portion of T.M.A. Pai Foundation (supra) quoted in the said judgment, is reproduced hereinbelow:--

"20. Article 19(1)(g) employs four expressions, viz., profession, occupation, trade and business. Their fields may overlap, but each of them does have a content of its own. Education is per se regarded as an activity that is charitable in nature [See The State of Bombay v. R.M.D. Chamarbaugwala,. Education has so far not been regarded as a trade or business where profit is the motive. Even if there is any doubt about whether education is a profession or not, it does appear that education will fall within the meaning of the expression "occupation".....

xxxx xxxx xxxx xxxx

25. The establishment and running of an educational institution where a large number of persons are employed as teachers or administrative staff, and an activity is carried on that results in the imparting of knowledge to the students, must necessarily be regarded as an occupation, even if there is no element of profit generation. It is difficult to comprehend that education, per se, will not fall under any of the four expressions in Article 19(1)(g).

xxxx xxxx xxxx xxxx

38. The scheme in Unni Krishnan's case has the effect of nationalizing education in respect of important features, viz., the right of a private unaided institution to give admission and to fix the fee. By framing this scheme, which has led to the State Governments legislating in conformity with the scheme the private institutions are undistinguishable from the government institutions; curtailing all the essential features of the right of administration of a private unaided educational institution can neither be called fair or reasonable.....

xxxx xxxx xxxx xxxx

40. Any system of student selection would be unreasonable if it deprives the private unaided institution of the right of rational selection, which it devised for itself, subject to the minimum qualification that may be prescribed and to some system of computing the equivalence between different kinds of qualifications, like a common entrance test. Such a system of selection can involve both written and oral tests for selection, based on principle of fairness.

41. Surrendering the total process of selection to the state is unreasonable, as was sought to be done in the Unni Krishnan scheme.....

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Private unaided non-minority educational institutions

48. Private education is one of the most dynamic and fastest growing segments of post-secondary education at the turn of the twenty-first century.....

xxxx xxxx xxxx xxxx

50. The right to establish and administer broadly comprises the following rights:--

(a) to admit students:

(b) to set up a reasonable fee structure:

(c) to constitute a governing body;

(d) to appoint staff (teaching and non-teaching); and

(e) to take action if there is dereliction of duty on the part of any employees."

xxxx xxxx xxxx xxxx

55..... But the essence of a private educational institution is the autonomy that the institution must have in its management and administration. There, necessarily, has to be a difference in the administration of private unaided institutions and the government-aided institutions. Whereas in the latter case, the Government will have greater say in the administration, including admissions and fixing of fees, in the case of private unaided institutions, maximum autonomy in the day-to-day administration has to be with the private unaided institutions. Bureaucratic or governmental interference in the administration of such an institution will undermine its independence. While an educational institution is not a business, in order to examine the degree of independence that can be given to a recognized educational institution, like any private entity that does not seek aid or assistance from the Government, and that exists by virtue of the funds generated by it, including its loans or borrowings, it is important to note that the essential ingredients of the management of the private institution include the recruiting students and staff, and the quantum of fee that is to be charged.

xxxx xxxx xxxx xxxx

60. Education is taught at different levels, from primary to professional. It is, therefore, obvious that government regulations for all levels or types of educational institutions cannot be identical; so also, the extent of control or regulation could be greater vis-?-vis aided institutions.

61. In the case of unaided private schools, maximum autonomy has to be with the management with regard to administration, including the right of appointment, disciplinary powers, admission of students and the fees to be charged. At the school level, it is not possible to grant admissions on the basis of merit. It is no secret that the examination results at all levels of unaided private schools, notwithstanding the stringent regulations of the governmental authorities, are far superior to the results of the government-maintained schools. There is no compulsion on students to attend private schools. The rush for admission is occasioned by the standards maintained in such schools, and recognition of the fact that State-run schools do not provide the same standards of education. The State says that it has no funds to establish institutions at the same level of excellence as private schools. But by curtailing the income of such

private schools, it disables those schools from affording the best facilities because of a lack of funds. If this lowering of standards from excellence to a level of mediocrity is to be avoided, the State has to provide the difference which, therefore, brings us back in a vicious circle to the original problem viz. the lack of State funds. The solution would appear to lie in the States not using their scanty resources to prop up institutions that are able to otherwise maintain themselves out of the fees charged, but in improving the facilities and infrastructure of State-run schools and in subsidizing the fees payable by the students there. It is in the interest of the general public that more good quality schools are established; autonomy and non-regulation of the school administration in the right of appointment, admission of the students and the fee to be charged will ensure that more such institutions are established.....

xxxx xxxx xxxx xxxx

65..... The private educational institutions have a personality of their own, and in order to maintain their atmosphere and traditions, it is but necessary that they must have the right to choose and select the students who can be admitted to their courses of studies. It is for this reason that in St. Stephen's College case this Court upheld the scheme whereby a cut-off percentage was fixed for admission, after which the students were interviewed and thereafter selected. While an educational institution cannot grant admission on its whims and fancies, and must follow some identifiable or reasonable methodology of admitting the students, any scheme, rule or regulation that does not give the institution the right to reject candidates who might otherwise be qualified according to, say, their performance in an entrance test, would be an unreasonable restriction under Article 19(6), though appropriate guidelines/modalities can be prescribed for holding the entrance test in a fair manner. Even when students are required to be selected on the basis of merit, the ultimate decision to grant admission to the students who have otherwise qualified for the grant of admission must be left with the educational institution concerned. However, when the institution rejects such students, such rejection must not be whimsical or for extraneous reasons."

(emphasis supplied)

37. Consequently, promoters of a school who make investment at their own personal risk are entitled to full autonomy in administration including the right to admit students.

AUTONOMY HAS ALSO BEEN RECOGNISED AND CONFERRED UPON SCHOOLS BY SECTION 16(3) OF ACT, 1973 AND RULE 145 OF RULES, 1973

38. This Court in Forum for Promotion of Quality Education for All (supra) pointed out that the concept of autonomy has also been recognized and conferred upon schools by the Act, 1973 and the Rules, 1973. Rule 145 of Rules, 1973 states that the head of every recognised unaided school shall regulate admissions in its school. Consequently, it was held that the private unaided schools have maximum autonomy in day-to-day administration including the right to admit

students.

RESTRICTION UNDER ARTICLE 19(6) CAN ONLY BE BY WAY OF A LAW AND NOT BY WAY OF AN OFFICE ORDER WITHOUT ANY AUTHORITY OF LAW

39. This Court further held in *Forum for Promotion of Quality Education for All* (supra) that no citizen can be deprived of his fundamental right guaranteed under Article 19(1) of the Constitution in pursuance to an executive action without any authority of law. If any executive action operates to the prejudice of any person, it must be supported by legislative authority, i.e., a specific statutory provision or rule of law must authorise such an action. Executive instruction in the form of an administrative order unsupported by any statutory provision is not a justifiable restriction on fundamental rights.

40. However, the impugned order is once again an administrative order and not a law made by the Legislature. In fact, the impugned order has been issued without the mandatory advice of the Advisory Board under Section 22 of the Act, 1973 and is contrary to Rule 145 of Rules, 1973.

IMPUGNED ORDER NOT BASED ON THE LEASE DEED

41. The submission on behalf of learned counsel for the intervener Mr. Khagesh B. Jha that the petitioners-schools have no discretion in admission because of a covenant in the lease deed cannot be examined at this stage as this is not one of the reasons stated in the impugned order and the petitioners have had no occasion to deal with the same. Consequently, this plea can only be considered at the stage of final hearing after the petitioners" have had notice of the present application.

PETITIONERS" CONFINE THEIR CHALLENGE TO ELEVEN CRITERIA WHICH IN THE PRIMA FACIE OPINION OF THIS COURT ARE NOT BASED ON WHIMS AND FANCIES.

42. To be fair, the learned senior counsel for the petitioners stated that they are confining their challenge at this stage to only eleven out of the sixty-two criteria, besides the management quota, which according to them was not a criterion. The statement made by learned senior counsel for petitioners that they are confining their challenge at this stage to only eleven out of sixty-two criteria excluding the management quota is accepted by this Court and the petitioners are held bound by the same.

43. This Court is prima facie of the view that there is nothing in the eleven criteria which would show that they are unreasonable or based on whims and fancies and/or they can lead to mal-administration. Taking into account the parentage of the child may be relevant in certain circumstances, for instance, if the father of the child was a recipient of a gallantry award or a sports award or had given valuable advice and service to the school like a Doctor, then giving preference to such a ward in admission would not constitute mal-administration. In all probability, such parents would contribute to the growth and evolution of

the school as well as its students. It is pertinent to mention that even the EWS Category is based on parentage of the child itself.

44. The criteria which promote admission of a girl child and/or adopted children are not only in consonance with Constitutional norms, but also the need of the hour.

MANAGEMENT QUOTA

45. This Court finds that initially all private unaided schools being established by private means used to fill up hundred per cent of their seats on their own. A balancing act was done by the Ganguly Committee and the Government whereby discretion of private unaided schools was minimised, but not altogether abolished. It is pertinent to mention that management quota had been recommended by Expert Ganguly Committee formed by a Division Bench and accepted and approved by the GNCTD in its Order of 2007. The same has been implemented from 24th November, 2007 to 18th December, 2013. Even the Office Order dated 18th December, 2013 issued by the Lieutenant Governor seeking to delete management quota was quashed by judgment dated 28th November, 2014.

46. After the conclusion of hearing, this Court had summoned the file of LPA 781/2014 filed by Directorate of Education against judgment dated 28th November, 2014 in Forum for Promotion of Quality Education for All (supra) and found that it contains a number of grounds assailing the quashing of deletion of management quota. The Division Bench refused to grant stay of the quashing of the deletion of the management quota by way of a reasoned order dated 10th December, 2014. Consequently, at this prima facie stage, the deletion of management quota by way of an office order is impermissible in law.

47. This Court is also of the view that the management quota has been recognised by the Supreme Court to be permissible and legal in P.A. Inamdar & Ors. (supra) and Christian Medical College, Vellore & Ors. v. Union of India & Ors. , (2014) 2 SCC 305. The petitioners have also pointed out that in Guru Gobind Singh Indraprastha University, guidelines permit management quota in institutes of higher technical/professional education, where admissions are solely based on merit. In the opinion of this Court, what applies to higher educational institutions applies with greater vigour to schools. [See: Paras 60 & 61 in T.M.A. Pai Foundation (supra)]

ALLEGATIONS OF MALPRACTICE SHOULD BE INVESTIGATED AND TAKEN TO THEIR LOGICAL CONCLUSION

48. However, any alleged malpractice in utilization of the management quota like sale of seats being actionable should be investigated and taken to its logical conclusion in accordance with law, but it cannot be a ground to abolish the quota itself. After all, vesting of discretion is not bad, but to misuse it, is illegal.

49. Consequently, till final disposal of the writ petitions, the impugned order

dated 06th January, 2016 is stayed with respect to the eleven criteria (mentioned in para 2 hereinabove) and the management quota.

50. Accordingly, the applications stand disposed of.